

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-01677A
Turner Ranches Water & Sanitation Co.
P.O. Box 1020
Apache Junction, AZ 85217-1020

RECEIVED

MAY 02 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
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FOR COMMISSION USE

ANN 04	07
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PROCESSED BY:

55-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) Turner Ranches Water & Sanitation, Inc.

Mailing Address P.O. Box 1020
(Street)

Apache Junction
(City)

Arizona
(State)

85217-1020
(Zip)

(480) 677-6080

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address jlopez2027@aol.com

Local Office Mailing Address 3880 S. De Niza Road
(Street)

Apache Junction
(City)

Arizona
(State)

85219
(Zip)

Same as above

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address Same as above

MANAGEMENT INFORMATION

Management Contact: Fred T. Wilkinson Agent
(Name) (Title)

3880 S. De Niza Road
(Street)

Apache Junction
(City)

Arizona
(State)

85219
(Zip)

(480)677-6080

Telephone No. (Include Area Code)

(480)677-6082

Fax No. (Include Area Code)

(480)240-8051

Cell No. (Include Area Code)

Email

Address jlopez2027@aol.com

On Site Manager: First National Management, Inc
(Name)

P.O. Box 102
(Street)

Apache Junction
(City)

Arizona
(State)

85217-1020
(Zip)

(480)677-6020

Telephone No. (Include Area Code)

(480)677-6082

Fax No. (Include Area Code)

(480)240-8051

Cell No. (Include Area Code)

Email

Address jlopez2027@aol.com

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Charles Hulstand

(Name)

1811 S. Alma School Mesa Arizona 85210
(Street) (City) (State) (Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney: Same as above

(Name)

Same as above

(Street)

(City)

(State)

(Zip)

Same as above

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☒ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	46,864.00	46,864.00	0.00
302	Franchises	3,613.00	3,334.00	279.00
303	Land and Land Rights	6,301.00	0.00	6,301.00
304	Structures and Improvements	108,967.00	70,805.00	38,163.00
307	Wells and Springs	749,602.00	475,020.00	274,582.00
311	Pumping Equipment	1,035,551.00	789,283.00	246,267.00
320	Water Treatment Equipment	439.00	439.00	0.00
330	Distribution Reservoirs and Standpipes	874,496.00	558,387.00	316,109.00
331	Transmission and Distribution Mains	1,194,483.00	643,125.00	551,357.00
333	Services	162,373.00	128,883.00	33,490.00
334	Meters and Meter Installations	167,114.00	82,578.00	84,535.00
335	Hydrants	215,948.00	99,761.00	116,187.00
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	12,991.00	10,096.00	2,895.00
341	Transportation Equipment	64,887.00	64,822.00	65.00
343	Tools, Shop and Garage Equipment	7,186.00	7,148.00	38.00
344	Laboratory Equipment			
345	Power Operated Equipment	19,367.00	19,367.00	0.00
346	Communication Equipment	2,668.00	2,668.00	0.00
347	Miscellaneous Equipment	551.00	464.00	87.00
348	Other Tangible Plant			
	TOTALS	4,673,400.00	3,003,046.00	1,670,354.00

This amount goes on the Balance Sheet Acct. No. 108

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	46,864.00	0%	0.00
302	Franchises	3,613.00	4%	114.00
303	Land and Land Rights	6,301.00	0%	0.00
304	Structures and Improvements	108,967.00	3%	3,237.00
307	Wells and Springs	749,602.00	4%	23,269.00
311	Pumping Equipment	1,035,551.00	3%	23,942.00
320	Water Treatment Equipment	439.00	0%	0.00
330	Distribution Reservoirs and Standpipes	874,496.00	2%	17,232.00
331	Transmission and Distribution Mains	1,194,482.00	2%	23,304.00
333	Services	162,373.00	4%	5,223.00
334	Meters and Meter Installations	167,114.00	3%	4,615.00
335	Hydrants	215,948.00	3%	5,266.00
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	12,991.00	7%	863.00
341	Transportation Equipment	64,887.00	.045%	30.00
343	Tools, Shop and Garage Equipment	7,186.00	.17%	12.00
344	Laboratory Equipment			
345	Power Operated Equipment	19,367.00	0%	0.00
346	Communication Equipment	2,668.00	0%	0.00
347	Miscellaneous Equipment	551.00	10%	55.00
348	Other Tangible Plant			
	TOTALS	4,673,399.00		107,163.00

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 4,220.00	\$ 70,678.00
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	49,278.00	27,428.00
146	Notes/Receivables from Associated Companies	2,304,524.00	2,467,334.00
151	Plant Material and Supplies		
162	Prepayments	20,987.00	
174	Miscellaneous Current and Accrued Assets	15,026.00	15,027.00
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 2,394,035.00	\$ 2,580,467.00
	FIXED ASSETS		
101	Utility Plant in Service	\$ 4,656,226.00	\$ 4,673,398.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(2,895,884.00)	(3,003,046.00)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 1,760,342.00	\$ 1,670,354.00
	TOTAL ASSETS	\$ 4,154,377.00	\$ 4,250,821.00

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 126,768.00	\$ 174,571.00
232	Notes Payable (Current Portion)	-0-	
234	Notes/Accounts Payable to Associated Companies	22,600.00	15,100.00
235	Customer Deposits	5,900.00	900.00
236	Accrued Taxes	-0-	86,665.00
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	294,743.00	
	TOTAL CURRENT LIABILITIES	\$ 450,011.00	\$ 277,236.00
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		281,770.00
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax	32,114.00	30,121.00
	TOTAL DEFERRED CREDITS	\$ 32,114.00	\$ 311,891.00
	TOTAL LIABILITIES	\$ 482,125.00	\$ 589,127.00
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,000,000.00	\$ 1,000,000.00
211	Paid in Capital in Excess of Par Value	1,031,365.0	1,031,365.00
215	Retained Earnings	1,640,887.00	1,630,329.00
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 3,672,252.00	\$ 3,661,694.00
	TOTAL LIABILITIES AND CAPITAL	\$ 4,154,377.00	\$4,250,821.00

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 37,369.51	\$ 43,820.00
460	Unmetered Water Revenue	763,017.84	789,117.00
474	Other Water Revenues	1,471.22	60.00
	TOTAL REVENUES	\$ 801,858.57	\$ 832,997.00
	OPERATING EXPENSES		
601	Salaries and Wages	\$	\$
610	Purchased Water	104,451.00	158,418.00
615	Purchased Power		
618	Chemicals		
620	Repairs and Maintenance	52,772.00	51,178.00
621	Office Supplies and Expense	57,048.00	28,461.00
630	Outside Services	300,000.00	295,000.00
635	Water Testing	2,087.00	2,072.00
641	Rents	6,492.00	6,512.00
650	Transportation Expenses	10,878.00	4,607.00
657	Insurance – General Liability	4,266.00	3,682.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case	1,987.00	1,996.00
675	Miscellaneous Expense	23,576.00	12,764.00
403	Depreciation Expense	113,623.00	107,163.00
408	Taxes Other Than Income	-0-	
408.11	Property Taxes	16,749.00	29,915.00
409	Income Tax	86,363.00	167,176.00
	TOTAL OPERATING EXPENSES	\$ 780,292.00	\$ 868,944.00
	OPERATING INCOME/(LOSS)	\$ 21,567.00	\$ (35,947.00)
	OTHER INCOME/(EXPENSE)		
419	Gain/Loss on Sale of Asset	\$ (3,663.00)	\$ 32,085.00
421	Non-Utility Income	3.00	12,974.00
426	Acquisition Amortization Income	12,974.00	
427	Deferred Tax Expense	(15,036.00)	
428	Interest Income	124,676.00	
	TOTAL OTHER INCOME/(EXPENSE)	\$ 118,954.00	\$ 45,059.00
	NET INCOME/(LOSS)	\$ 140,521.00	\$ 9,112.00

COMPANY NAME	Turner Ranches Water & Sanitation, Inc.
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SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest				
Current Year Principle				

Meter Deposit Balance at Test Year End	\$ -0-
--	--------

Meter Deposits Refunded During the Test Year	\$ -0-
--	--------

COMPANY NAME	Turner Ranches Water & Sanitation, Inc.
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-518151	150	550	1,523	16	8	1987
55-610824	250	1,200	1,000	18	10	1972
55-621102	300	1,625	800	18	10	1953
55-621103	250	1,050	1,000	16	10	1959
55-621104	250	1,100	1,040	20	10	1949
55-508886	35	200	600	8	3	1984

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
City of Mesa (Effluent)		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
60	3-800 gpm	136	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
250,000	1		

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Turner Ranches Water & Sanitation, Inc.	
Name of System:	Turner Ranches Water	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS		
Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6	AC	9,818
8	AC	44,971
10	AC	18,205
12	AC	5,800

CUSTOMER METERS	
Size (in inches)	Quantity
5/8 X 3/4	
3/4	
1	
1 1/2	1
2	2
Comp. 3	
Turbo 3	1
Comp. 4	
Tubo 4	
Comp. 6	1
Tubo 6	2
Comp. 10	5

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

None

STRUCTURES:

30' x 50' Prefabricated Steel Maintenance Building.

OTHER:

None

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	Turner Ranches Water & Sanitation, Inc.
Name of System: Turner Ranches Water System	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	1070	10,050.57	5,478.12	-0-
FEBRUARY	1070	14,882.31	17,718.70	-0-
MARCH	1070	39,022.18	40,512.60	-0-
APRIL	1071	59,620.63	55,935.70	-0-
MAY	1071	93,923.12	89,081.30	-0-
JUNE	1073	89,747.60	115,097.20	-0-
JULY	1074	88,703.24	77,887.20	-0-
AUGUST	1075	79,841.68	45,950.20	-0-
SEPTEMBER	1074	57,562.10	57,566.10	-0-
OCTOBER	1074	63,123.38	21,061.40	-0-
NOVEMBER	1074	42,681.84	7,922.80	-0-
DECEMBER	1074	2,360.00	79.60	-0-
TOTALS →		641,518.65	534,290.90	-0-

What is the level of arsenic for each well on your system? See attached mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?
() Yes (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

TUNER RANCHES WATER & SANITATION CO.
ALPINE DIVISION ARSENIC LEVEL

<u>PWS #</u>	<u>POE #</u>	<u>DWR WELL#</u>	<u>ARSENIC LEVEL</u>	<u>ANALYSIS DATE</u>
01053	1	55-508886	<0.0030	10-31-07

WELL MEETS THE NEW SAFE DRINKING WATER STANDARD OF 10 PARTS
PER BILLION.

COMPANY NAME Turner Ranches Water & Sanitation, Inc. YEAR ENDING 12/31/2007

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 33,148.49

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

TURNER RANCHES
WATER AND SANITATION COMPANY
OPERATING ACCOUNT
P.O. BOX 1020
APACHE JUNCTION, AZ 85217-1020
(480) 677-6080

BANK OF AMERICA, NA
MESA, AZ 85206
91-170/1221

569

4/25/2007

PAY TO THE ORDER OF Maricopa County Treasurer

\$ **18,142.06 X

Eighteen Thousand One Hundred Forty-Two and 06/100*****

DOLLARS

Maricopa County Treasurer
P O Box 52133
Phoenix, Az 85072-2133

TWO SIGNATURES
REQUIRED OVER \$500.00

Judy A. Lopez
Lydia A. Lopez

MEMO parcel #1 627-90-450-S
627-90-408-1

⑈005695⑈ ⑆122101706⑆ 000235043357⑈

⑈0001814206⑈

TURNER RANCHES
WATER AND SANITATION COMPANY
OPERATING ACCOUNT
P.O. BOX 1020
APACHE JUNCTION, AZ 85217-1020
(480) 677-6080

WASHINGTON MUTUAL BANK
APACHE TRAIL & IDAHO
90-7162/3222

1141

9/25/2007

PAY TO THE ORDER OF Maricopa County Treasurer

512526475 09 28 07 7979 03

\$ **15,006.43 X

Fifteen Thousand Six and 43/100*****

DOLLARS

Maricopa County Treasurer
P O Box 52133
Phoenix, Az 85072-2133

TWO SIGNATURES
REQUIRED OVER \$500.00

Judy A. Lopez
Lydia A. Lopez

⑈001141⑈ ⑆322271627⑆ 4920630484⑈

⑈0001500643⑈

04-25-87 8889-0449 MATICORP CTY BANK OF AMERICA NA 4379463857<
US DATE 04/26/87 P1221017064 E2205 01 P01
P14 E C 050 AZ 89/06/87
3150112493

BANK OF AMERICA NA LAC
12200661 E3073 90 20
INCL EAR 07/07/87
E145888UNDO CA
E145888UNDO 09-28-07

09-27-87 8887-113 MATICORP CTY BANK OF AMERICA NA 4379463857<
US DATE 09/27/87 P1221017064 E2201 90 P11
C 034 89/27/87
3150972013

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED
MAY 6 2 2008
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

**STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE**

COUNTY OF (COUNTY NAME)	Maricopa
NAME (OWNER OR OFFICIAL)	Fred T/ Wilkinson, Vice President
COMPANY NAME	Turner Ranches Water & Sanitation Company

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

✓ Fred T. Wilkinson
SIGNATURE OF OWNER OR OFFICIAL

480-677-6080
TELEPHONE NUMBER

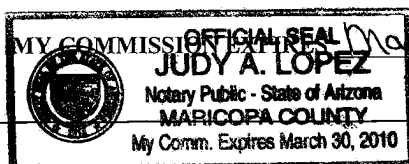
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15 **DAY OF**

COUNTY NAME	Maricopa
MONTH	May
	2008

(SEAL)



Judy A. Lopez
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME Turner Ranchses Water & Sanitation, Inc. YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>127,537</u>
Estimated or Actual Federal Tax Liability	<u>25,703</u>

State Taxable Income Reported	<u>31,099</u>
Estimated or Actual State Tax Liability	<u>8,703</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>-0-</u>
Amount of Gross-Up Tax Collected	<u>-0-</u>
Total Grossed-Up Contributions/Advances	<u>-0-</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

✓ Fred T. Wilkin
SIGNATURE

✓ MAY 4 2008
DATE

✓ FRED T. WILKINSON
PRINTED NAME

✓ VICE PRESIDENT
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Maricopa
NAME (OWNER OR OFFICIAL) TITLE Fred T. Wilkinson, Vice President
COMPANY NAME Turner Ranches Water & Sanitation Company

RECEIVED
MAY 8 2 2008
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 887,975

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 54,978
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

Fred T. Wilkinson

SIGNATURE OF OWNER OR OFFICIAL

480-677-6080

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

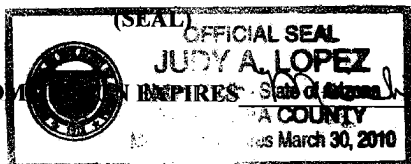
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

13th

DAY OF

COUNTY NAME Maricopa	
MONTH <u>May</u>	20 <u>08</u>



MY COM

EXPIRES

State of Arizona

MARICOPA COUNTY

March 30, 2010

30, 2010

Judy A. Lopez
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED

MAY 02 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	
NAME (OWNER OR OFFICIAL)	TITLE
COMPANY NAME	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 887,975.00

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 54,978

IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

✓ Fred H. Wilkin
SIGNATURE OF OWNER OR OFFICIAL

✓ (480) 677-6080
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

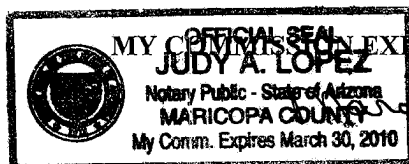
THIS

1st

DAY OF

NOTARY PUBLIC NAME <u>Judy A Lopez</u>	
COUNTY NAME <u>Maricopa</u>	
MONTH <u>May</u>	, 20 <u>08</u>

(SEAL)



X Judy A. Lopez
SIGNATURE OF NOTARY PUBLIC